

Education Cabinet

Kentucky's jobless rate drops to 10.6 percent in April

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Kentucky's seasonally adjusted preliminary unemployment rate fell to 10.6 percent in April 2010 from a revised 10.7 percent in March 2010, according to the Office of Employment and Training (OET), an agency of the Kentucky Education and Workforce Development Cabinet.

The April 2010 jobless rate is .2 percentage points higher than the 10.4 percent rate recorded in April 2009 for the state. The 10.6 percent rate recorded in April 2010 matches the 10.6 percent rate in Kentucky in December 2009 and is the lowest unemployment rate recorded since that time.

"Kentucky's economy continued to stabilize in April 2010," said Dr. Justine Detzel, OET chief labor market analyst, "however, temporary, rather than permanent jobs are fueling the employment growth."

The U.S. seasonally adjusted jobless rate increased from 9.7 percent in March 2010 to 9.9 in April 2010, according to the U.S. Department of Labor.

Unemployment statistics are based on estimates and are compiled to measure trends rather than actually to count people working.

Seven of the 11 major nonfarm North American Industry Classification System (NAICS) job sectors reported an employment increase in April 2010, while four decreased, according to

OET. An increase of 7,500 jobs in April 2010 brought Kentucky's nonfarm employment to a seasonally adjusted total of 1,769,500. This represents the second consecutive month of job gains and the highest level of nonfarm employment since April 2009, when total nonfarm employment was recorded at 1,774,500.

According to the seasonally adjusted employment data, Kentucky's professional and business services sector climbed by 2,300 positions in April 2010. This area includes professional, scientific and technical services, management of companies and administrative support and waste management, including temporary help agencies.

"This represents the second month in a row of employment gains for this job sector," Detzel said. "The job gains are concentrated in administrative and support businesses, reflecting expansions and temporary jobs at payroll and billing support centers and the openings of technical support and customer services operations."

Manufacturing sector jobs surged by 2,200 in April 2010. Job gains are concentrated in the durable goods sector.

"This reflects the opening of a steel cabinet manufacturer and expansions at a stove and fireplace producer and an HVAC plant," Detzel said.

Since April 2009, employment in the manufacturing sector has fallen by 5,400 positions, which is indicative of the malaise resulting from the automobile slump impacting Kentucky, according to Detzel.

The government sector, which includes public education, public administration agencies and state-owned hospitals, gained 1,400 jobs in April 2010. The sector has 2,000 more jobs compared to April 2009.

Employment in the other services sector, which includes such establishments as repair and maintenance businesses, personal and laundry services, religious organizations and civic and

professional organizations, increased by 1,300 positions in April 2010. This sector had 1,800 fewer positions in April 2010 than in April 2009.

Construction sector jobs rose by 800 positions in April 2010. Since April 2009, employment in the construction sector has fallen by 6,200 jobs. This marks the second month in a row of an increase in the number of construction sector jobs.

Kentucky's trade, transportation and utilities sector gained 800 jobs in April 2010. This area includes retail and wholesale trade, transportation and warehousing businesses and utilities. It is the largest sector in Kentucky with 364,600 employees. Since April 2009, the number of jobs in this sector has increased by 700.

"This represents the third increase in employment in the trade, transportation and utilities sector in the last four months," Detzel said. "The job gains are concentrated in the transportation, warehousing and utilities industry, which is a sign of expansions at an air transportation business and shipping companies, and temporary jobs at a rail transportation enterprise.

The educational and health services sector added 200 jobs in April 2010. The sector had 4,300 more workers in April 2010 than April 2009. This sector includes private and nonprofit establishments that provide either education and training or health care and social assistance to their clients.

Employment in the mining and logging sector dropped by 100 jobs in April 2010. The sector has lost 1,700 workers since April 2009.

The information sector reported 200 fewer positions in April 2010. This segment, which includes firms involved in publishing, Internet activities, data processing, broadcasting and news syndication, has decreased by 1,200 positions since April 2009.

The financial activities sector lost 300 jobs from March 2010 to April 2010. This segment, which includes businesses involved in finance, insurance, real estate and property leasing or rental, has fallen by 2,600 positions over the past 12 months.

Kentucky's leisure and hospitality sector lost 900 jobs in April 2010. Since April 2009, employment in the sector has decreased by 3,000 positions. The leisure and hospitality sector includes arts, entertainment and recreation, accommodations and food services and drinking places industries.

The U.S. Bureau of Labor Statistics' monthly estimate of the number of employed Kentuckians for April 2010 was 1,865,001 on a seasonally adjusted basis. This figure is up 6,043 from the 1,858,958 employed in March 2010, but down 5,789 from the 1,870,790 employed in April 2009.

The monthly estimate of the number of unemployed Kentuckians for April 2010 was 220,321, down 3,364 from the 223,685 Kentuckians unemployed in March 2010, but up 2,605 from the 217,716 unemployed in April 2009.

The monthly estimate of the number of Kentuckians in the civilian labor force for April 2010 was 2,085,322. This figure is up 2,679 from the 2,082,643 recorded in March 2010, but down 3,184 from the 2,088,506 recorded in April 2009.

Civilian labor force statistics include non-military workers and unemployed Kentuckians who are actively seeking work. They do not include unemployed Kentuckians who have not looked for employment within the past four weeks.

Kentucky's statewide unemployment rate and employment levels are seasonally adjusted. Employment statistics undergo sharp fluctuations due to seasonal events, such as weather changes, harvests, holidays and school openings and closings. Seasonal adjustments eliminate these influences and make it easier to observe statistical trends. However, because of the small sample size, county unemployment rates are not seasonally adjusted.

Learn more about the Office of Employment and Training at www.workforce.ky.gov.